

Impact of the removal of the EMA (Educational Maintenance Allowance): Briefing for Learning & Culture Overview and Scrutiny Committee

Introduction

This briefing paper expands upon, and updates, information provided to all parties prior to Budget Council in February 2013 when a petition calling on the council to introduce a local replacement for EMA was considered. That paper concluded that the withdrawal of EMA had not had the negative impacts feared, speculated upon the reasons for this and set out the financial implications of introducing a new, local EMA scheme.

This paper also provides some headline information about the cohort of York's young people which is not participating in education and training and some details of Local Authority support for the broader participation, progression and transitions agenda. Finally it makes some suggestions that the committee may wish to consider in deciding whether to proceed with the proposed scrutiny.

Educational Maintenance Allowance (EMA)

The Education Maintenance Allowance was a national system of means tested allowances designed to encourage participation in post 16 education and training. Young people were paid by direct BACS transfer from the national agency administering EMA, with support of £10, £20 or £30 per week for the 38 weeks of the academic year. On average 82% of eligible learners received the highest level of support which was available to those living in households with an annual income of £20000 pa or less. Thresholds for the lower levels were £25000 and £30000.

EMA was introduced in 2004/05 and withdrawn for young people starting courses in 2011/12. A report published in 2008 by The Institute for Fiscal Studies (IFS) found that the impact of EMA was "quite substantial", increasing the proportion of young men **staying in education** by 7.4% and of women by 5.9%. This equates to around 60,000 additional young people across England accessing post-16 education.

In 2010/11 (the last full year of EMA payments) 1847 young people in learning in York received payments. Of these 39% were 16 year olds, 41% were 17 year olds, and 20% 18 year olds. In School Sixth Forms an average of 21% of young people received EMA, at York College 38%, at Applefields School 37% and in the two largest training providers in York 78% and 73% (November 2010 data). Of the 1847 young people receiving EMA, 1279 were York residents. Over 38 weeks payments to all 1847 young people would have been just over £1.9m and to the York residents just over £1.32m.

16-19 Bursary Fund

The coalition government replaced EMA with a new support scheme called the 16-19 Bursary Fund (16-19 BF) underpinned by a sharply reduced amount of funding, guaranteed payments for a minority of young people and locally assessed discretionary awards. In 2013/14, in addition to the guaranteed awards, providers of education and training will receive funding to make discretionary payments. This will be an amount of £287.89 for each of a percentage of their funded allocation of education and training places. The percentage is based on the proportion of their learners who in 2009/10 received the maximum EMA payment of £30. The drop in overall funding available under the new arrangements is exemplified by £287.89 being approximately 25% of the total annual EMA payment for a young person receiving £30 a week.

Transitional arrangements were in place for young people who received EMA in 2010/11 and continued in education in 2011/12. A small proportion of young people who are in their third year of post 16 participation (having started courses in September 2012 before their 19th birthday) are still covered by these arrangements this year. However, 2012/13 is the first year when all young people in Years 12 and 13 have been covered by arrangements for the 16-19 Bursary Fund.

The 16-19 Bursary Fund guarantees £1200 per year to young people who:

1. Are in care or are recent care leavers
2. Receive Income Support in their own name
3. Are disabled and receive both Employment Support Allowance and Disability Living Allowance in their own name

Other young people can apply for a discretionary bursary payment. These payments are made and assessed by providers of education and training, in line with guidance published by the Department for Education (DfE). Often they are not direct cash payments but “in kind” in the form of bus passes for travel, vouchers for meals from school and college catering outlets, or provision of equipment, books or resources to support young people on their courses. DfE identifies use of payment “in kind” as “best practice”.

Local Authority Support around 16-19 BF

The 14-19 Team facilitates two Learner Support Groups, one for school sixth forms and one for FE Colleges and Training Providers. The School Sixth Form group is also attended by colleagues from Tadcaster Grammar and Sherburn High schools (North Yorkshire).

The purpose of these groups is to ensure that all providers are kept fully updated on national policy, to ensure a high level of consistency across the City in terms of BF processes and allocations to young people and to discuss matters arising. It is important to note that both elements of the 16-19 BF are administered at institutional level. The Local Authority cannot determine eligibility for discretionary payments.

We also facilitate a 16-19 Leads Group (for Directors of Sixth Form and College Asst. Principals) and the York Training Providers Group. Whilst the remits of these groups are broader than the 16-19 BF, they do cover learner support issues.

Impact of the changed arrangements

It had been widely expected that the withdrawal of EMA would lead to a reduction in the numbers of young people aged 16-18 participating in education and training. This has not been the case either locally or nationally. Latest DfE figures for the participation of York's 16 and 17 year olds (the statutory Raising the Participation Age (RPA) cohorts) covering December 2011 to Dec 2012 show that 95.3% of our 16 year olds and 90.0% of our 17 year olds were participating in December last year. Taking 16 and 17 year olds together the participation rate was 92.6%, ranking York 14th of all LAs and, therefore, in the top performing decile. These figures represent an increase over the previous year and show that non participation, or NEET (not in employment or training) remains below 5%.

Feedback from our partner institutions is that:

1. They are receiving fewer applications for bursary funding than anticipated and are distributing many more application packs which are subsequently not completed and returned.
2. They are concerned about young people attending physically demanding courses (eg. construction) without having eaten properly at home.
3. Transport costs are a particular issue for young people attending York institutions but living outside the council area.

The latest information from York College, by far the largest provider of 16-19 Education and Training in the city, confirms that:

- 742 awards have been made September 2012 – April 2013 (this is around half the number that would have received EMA).
- 60% of College 16-19 BF spending is on transport.

- Only 4% of College 16-19 BF spending is through direct cash payments to students.

It is difficult to draw firm conclusions at this stage, particularly when the individual outcomes for young people entering two years of post 16 education and training in September 2011 (the first non EMA cohort) are not yet known. However, it is clear that participation rates in education and training by 16-19 year olds have been sustained and even slightly increased. Determining the causes of this is not yet possible but we can speculate that relevant influencing factors may include:

1. Difficult economic conditions reducing the opportunities for employment.
2. Rules for benefits (Employment Support Allowance, Child Benefit) are causing more young people to stay in education and training.
3. Positive publicity around participation linked to Raising the Participation Age (RPA) (all young people in Year 11 this year must continue to participate in education and training for another full year starting in September 2013).
4. The greater range of local post 16 education and training options which have been developed to deliver RPA.

If the withdrawal of EMA is not causing non-participation, what is ?

On the basis of deeper analysis, we believe that the consistently low level of non participants in York comprises a group of young people with particular characteristics who were not participating in the EMA era and whom it would not bring it to participation now. There are, in any age group cohort, approximately 100 young people in this group out of a total of 1800-1900, which is about 5%. 75% of these young people leave the Danesgate Community and four secondary schools and 30% have some form of Special Educational Need or disability. We know that they are, therefore, some of our most disadvantaged, vulnerable, challenged and challenging young people. For ease of understanding this group is known to us as the "York 100". Development of intervention and support strategies addressing the non participation of this group are at the top of our agenda and align with the broader Education and Skills priorities around "Narrowing the Gap".

Broader CYC support for young people's participation

We strategically influence the development of 16-19 education and training through an annual strategic analysis which leads to the publication of a Local Area Statement of Need (October). This document sets out the priorities we want to work with partners to address and contains aspirational action plans around them. We have also consulted partners on an RPA delivery plan which contains strands of work around the "York 100". During 2011/12 and

2012/13 we participated in DfE Locally Led RPA Delivery pilot projects through a bid process and accessed an additional £75k pa of funding as a result. This is not available in 2013/14.

In addition to groups mentioned earlier in this briefing paper colleagues from the 14-19 Team and Integrated Youth Support Services also support:

- 14-19 Curriculum Implementation Group – School and College Senior Leaders looking at implications of national policy for York
- Participation, Progression and Transitions Strategy Group – developing strategy to deliver full participation, improved progression and well supported transitions group
- Participation, Progression and Transitions Provider Group – working with providers on new provision to support increased participation
- LLDD Strategy Group – working to develop a strategic approach to provision for young people with learning difficulties and disabilities
- Apprenticeship Starts & Development Group – strategic development of the apprenticeship pathway

Colleagues also work on specific projects with individual institutions or providers.

Conclusions

Given the initial conclusions around the impact of the withdrawal of EMA, the committee may wish to consider whether to have a different focus for a possible scrutiny aiming to help ensure that the proportion of 16-19 year olds in education and training continues to rise. In determining a focus they may also wish to take into account the progress of their ongoing scrutiny of Careers Education, Information, Advice and Guidance and the outcomes of the Economic and City Development Overview Scrutiny Committee's Youth Unemployment Scrutiny Review (draft report considered at meeting of 26th March 2013).

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